Abstract
The present paper aims at analyzing the development level of the management capacity within the local public institutions from Romania. The purpose and the objectives of the paper are to emphasize the general picture of the management capacity of the local public institutions, respectively to highlight not only the main characteristics of the management capacity but also the major factors that influence the development level of this capacity. The results of the research presented in the paper show that at least the management capacity from the local public institutions is influenced by a number of factors.
1. Introduction

The way in which public authorities (local and central) transform the resources they have into services for the citizens has been and will always be a permanent and significant preoccupation both for public administration and for the field of public policies analysis or worldwide politics.

The pressures made by various interest groups for the increase of efficiency and performances have determined the public administration to move from a service-providing approach to a more important one where the way services are provided is more important. Thus, the main aim of institutions, whether private or public, is not only to “sell” or provide products or services to citizens, but also to meet the high degree of requirements and needs of consumers, users or citizens (Raboca, Lazăr and Solomon, 2009).

The development of Romanian public administration required the completion of a diagnostic analysis of civil service (Andrei et al., 2010). In this context, in order to realize the performances, the effectiveness and the efficiency of the public institutions, of their programs, respectively the level of the results and the impact on the community or on different categories of citizens, there must be permanent different evaluations and analyses of different aspects these institutions present. Most analyses concentrate on the continental influences that different factors have upon the quality of the service or upon the way in which it is delivered: the economic development level of the region or of the country, how different interest groups (public clerks, unions, political parties, citizens, business communities or minorities) influence how the organizations are structured at local and central level, the degree of hierarchical subordination and the freedom of decision.

This article intends to be an exploratory research which aims at examining another aspect that influences the performances and the results of the local public organizations: the management capacity of the local public institutions. In fact, the purposes and the objectives of the paper are to outline a general picture of the “state of fact” and the development level of the management capacity of the local public institutions from Romania. Based on the results of our research, the present paper will to emphasize both the main dimensions which compose and characterize the managerial capacity of a public institution, and the main factors which influence and explain the level or the development degree of this capacity. This research also intends to identify a way of defining the management capacity concept from the perspective of the public clerks (those who are in leading position or who fulfill the necessary requirements for these positions). Last, but not least, this paper will try to identify why a postgraduate course would be useful for the development of the management capacity and which abilities should be acquired through such a course.

2. The management capacity

It is more appropriate to talk about a managerial approach to public administration than public management inside public administration. The real challenge of the
public sector in the 21st century is to have a completely new understanding of public administration and, consequently, a new approach in managing public organizations (Mora and Țiclău, 2008).

Generally speaking, we can say that there is no precise definition of the management capacity concept which would help us identify certain levels of this capacity in the organization. As it is a concept difficult to explain, we understand what it means when we identify it in a specific context. This concept may often designate something specific related to time, space, behavior or organization, or it may express at the same time certain challenges that a manager must face.

According to Kelly and Rivenbark (2003), the management capacity can be best defined through three managerial aspects: the managerial policies, the resources management and the project management. In this respect, they consider that the management capacity is the ability to fulfill the objectives of the management policies, the management of the resources and the project management. In their opinion, the management capacity is deeply connected to the existence of the organizational capacity (Figure 1), because the organizational capacity provides the environment in which the management capacity finds the answer to the question: “What must be done in order to achieve the objectives and the performance results?”.

![Figure 1: Organizational capacity and managerial capacity.](Adapted from Kelly and Rivenbark, 2003, p. 226)

In their study about the perspectives of building the managerial capacity in organizations, Walter Honadle and Howitt (1986) define the managerial capacity as the ability to identify problems, develop policies which will lead to solving these problems, conceive programs for the implementation of the policies, attract and absorb financial, human, material and informational resources necessary for the programs to function, manage all these resources, guide and coordinate the activities of the
programs and last, but not least, assess and measure the results and the performance of the policies and the programs implemented in the organization.

Also, Ingramham and Kneedler Donahue (2000), consider that the managerial capacity can be defined as the inner ability to manage, develop and coordinate the financial/material, human, informational or any other kind of capital in order to implement the policies and the programs. In their opinion, the managerial capacity refers to the allocation of resources in the right place and at the right time and generally resides in management subsystems: internal processes and administrative structures meant to support the demands and the needs concerning the financial, material, human or informational capital of the public organizations.

At the same time, starting from the model about measuring the government’s managerial capacity, developed in their studies by Kneedler Donahue, Colman Selden and Ingramham (2000), we can argue that the managerial capacity of a public organization may become a major factor that influences the efficiency of the results and the performance of the organizations from the public sector, which is due mainly to the fact that this capacity has the role to design and sustain the processes and the operational capacities of the organization. At the same time, based on the same model mentioned above, we can assert that the managerial capacities of a public organization can be characterized through three major aspects (Figure 2):

- The managerial capacities depend fundamentally on the configuration, the processes and the activities connected to the managerial subsystems, to the link between them.
- The managerial capacities do not depend only on the quality of the different managerial subsystems, but also on the way these systems are integrated.
- Last, but not least, the managerial capacity depends a lot on the existence or the absence of a result-oriented managerial system.

Consequently, we consider that the presence in public organizations of a result-oriented management system, which will ensure a high degree of integration for different managerial subsystems, represents the fundamental element for the increase of the managerial capacity and the achievement of the objectives in an effective and efficient manner.
From another perspective, we consider that the “managerial capacity” concept for a public organization can be defined through the “management” concept as follows:
1. from the point of view of the general definition of management – the act of leading;
2. from the point of view of the management functions – the management processes;
3. from the point of view of the decision act – the final product of management.

In this respect, from the point of view of the general definition of the management concept (leading actions and activities or administering an organization efficiently and effectively), the managerial capacity may designate “those competencies, skills, aptitudes possessed by the leading factors in an institution and which are necessary for managing the activities and the internal processes from the institution successfully”.

From the point of view of the management functions (the processes and the activities which are specific to executive positions) the management capacity may designate: “all processes, knowledge, skills and abilities that are necessary to executives in order to forecast, organize, command and motivate, coordinate, control the activities and the internal processes in organizations”.

If we look at management from the process perspective, it is obvious that the final products of management are the decisions, which can be defined as the result of the chaining of an operational ensemble of informational collection and evaluation through thinking (the rational process of thinking) – the approximate definition of management from the process perspective (Lazăr, Mortan, Vereș and Lazăr, 2004).
From this perspective, we consider that the management capacity represents “the aggregate of the decisional processes in an institution”. Another definition from the same perspective would be “the aggregate of the operational, tactical and strategic decisions made by the leading or management factors”.

We believe that management capacity varies by context. Management needs are not static. They depend on the social, economic, technical and political demands that government faces at a particular time and in a particular place. To build management capacity, therefore, is not to install a standard package of administrative tools or rearrange organizational units into an ideal configuration. It is to develop competence to perform the tasks that a state or local government must be able to accomplish, given the expectations placed upon it by citizens and other levels of government. Management capacity needs also vary by type of government function, as Kettl points out (1986). In the past, state and local governments had to concern themselves mainly with the direct management of service delivery, with relatively little attention to regulatory activity and contract management. Today the latter two functions have become vastly more significant, requiring executives in state and local government to adopt new strategies for dealing with them effectively.

As Walter Honadle and Howitt (1986) argue, the capacity building is intimately entwined with politics. They argue that judgments about what constitutes an adequate amount of management capacity are subjective and thus, in practice, are politically defined. One’s perspective on this matter is likely to depend critically on one’s advantage point. Communities are frequently content with a level of management capacity (at least as that is represented by professionalism, expertise and formal procedure) that many external observers regard as insufficient. To a substantial degree, these differences of perspective arise because some parties see values at stake other than instrumental effectiveness or efficiency. Thus, “what some may label parochialism, others may perceive as an expression of liberty” (Walter Honadle and Howitt, 1986, p. 340).

3. Research methodology

In order to realize this exploratory analysis related to the way in which the management capacity is visible in the local public administration from Romania we conducted a survey among the civil servants who are in leading positions in local institutions from the North-West Region of Romania (that includes 6 counties), as well as among the civil servants from those public institutions who fulfill the conditions for occupying the leading positions within a public institution. The survey used a structured questionnaire which we sent to the following types of public institutions:

1. Mayor’s Halls from the county capitals of the 6 counties which compose the North-West Region of Romania (6 institutions);
2. Mayor’s Halls of the towns which are second in size after the county capitals in the 6 counties which compose the North-West Region of Romania;
3. General Directions of Public Finances corresponding to the 6 counties (6 institutions);
4. Labor and Social Welfare Directions corresponding to the 6 counties (6 institutions);
5. Prefect’s Offices corresponding to the 6 counties (6 institutions);
6. County Councils corresponding to the 6 counties (6 institutions);
7. Village Mayor’s Halls corresponding to the 6 counties which compose the North-West Region of Romania (a probable sample of 132 village Mayor’s Halls chosen at random).

We also have to mention that for each public institution selected for our research, the number of questionnaires that were sent varied according to the size of the institution and the number of departments from the organizational chart and the number of employees. The questionnaire that we used was built on the basis of sets of assertions related to different aspects of the management capacity from the local public institutions, the questioned people having to give their opinion about these assertions (the scale used is from 1 to 10, \(1 = \) totally absent, \(10 = \) existing in a very high degree). We have to mention that the present analysis is part of a larger research project which aimed at the development of post-graduate programs in public administration (a project financed by EU through structural funds).

Setting the number of questionnaires was made in the following way: number of departments from the organizational chart \(* 2 = \) number of questionnaires. Thus, we sent 2 questionnaires for each department from an institution. We required that for each department, one questionnaire to be completed by the head of the department, and the other one by an employee who fulfills the conditions of seniority and studies which are necessary for occupying a leading position and whose date of birth is closest to 1\(^{st}\) of May.

The total number of public institutions from local level and the deconcentrated public institutions of the central government to county level included in the sample was 168. The number of questionnaires sent to these institutions was 1,800 out of which a number of 1,300 valid questionnaires participated in the analysis (approximately 72.2\% from the total number of questionnaires). At the same time, in order to analyze the data and emphasize the aspects connected to the management capacity we used an uni-variable statistical data processing analysis, as well as a multivariable one (the statistical analysis of the regression equations), with the help of the SPSS program.

4. Data analysis and interpretation

As we mentioned above, the analysis of the management capacity from the local public institutions from Romania refers to the following aspects:

1. The way public civil servants occupying leading positions or willing to occupy such positions define the management capacity concept;

2. Emphasizing the development level of the management capacity within an institution from the perspective of civil servants occupying leading positions or willing to occupy such positions;
3. Emphasizing the main dimensions which compose and characterize the management capacity of a local public institution, as well as the main factors which influence and explain the level or the development degree of this capacity;

4. The utility of developing a post-graduate program for increasing or developing the managerial capacity.

4.1. Defining the management capacity concept

Regarding the definition of the management capacity concept, the answers of those who were questioned were very diverse, grasping however the essence of this concept. We expected anyway the answers to be extremely varied given the large number of interviewed people and their field of professional specialization (economics, law, sociology, public administration etc.).

Because of the extremely diversified number of answers, we decided to encode and group these answers. The result of grouping these answers is presented in the table below (Table 1). The percent of those who defined the management capacity is 75%, 25% not being willing or able to answer this question.

<table>
<thead>
<tr>
<th>No.</th>
<th>Defining the management capacity concept</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The ability, capacity and aptitude to exercise the management functions (efficiently and effectively): to plan, to organize, to command, to control and to evaluate</td>
<td>25</td>
</tr>
<tr>
<td>2</td>
<td>The ability, capacity and aptitude to lead (efficiently and effectively) an institution</td>
<td>20</td>
</tr>
<tr>
<td>3</td>
<td>The ability, capacity and aptitude to administer and manage (efficiently and effectively) certain situations or the resources of an institution (financial, material, human)</td>
<td>15</td>
</tr>
<tr>
<td>4</td>
<td>The ability, the capacity and the aptitude to make and assume decisions</td>
<td>5</td>
</tr>
<tr>
<td>5</td>
<td>The ability, capacity and aptitude to solve (efficiently and effectively) the problems and to find and implement solutions for problems</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>The professional capacities and abilities of the leaders</td>
<td>5</td>
</tr>
<tr>
<td>7</td>
<td>Did not offer any definition</td>
<td>25</td>
</tr>
</tbody>
</table>

After grouping the answers regarding the definition of the management capacity, we can conclude the following. Firstly, a great part of those who were interviewed (25%) define the management capacity of an institution in close connection with the management functions: organization, planning, command, coordination, control and evaluation.

Secondly, a high percentage (20%) of the questioned people defines the management capacity from an institution in close connection with the leading activity. In this respect, generally speaking, this group believes that this capacity consists of “all the abilities, capacities and aptitudes to lead an institution”. Also, 15% of the questioned people consider the management capacity as being “the ability, capacity and aptitude to administer and manage (efficiently and effectively) certain situations or the resources of an institution (financial, material, human, etc.)”. At the same time, a relatively low percentage of the respondents (5%) correlates the management capacity concept
with the decision making process of the public institutions leaders, respectively with the abilities, the capacities and aptitudes of these leaders in solving problems and implementing optimal solutions. Last, but not least, 5% of the total number of civil servants the questioned associate the management capacity with the level of knowledge and the professional preparation of the executives from public institutions.

4.2. The development level of the management capacity from local public institutions

Related to the development degree of the management capacity from the public institutions, the majority of those questioned consider that in their institutions this capacity is developed. In this respect, the data of the survey show (Figure 3) a percentage of 58.67% that consider that in their institutions the management capacity is “developed” or “highly developed” while in opposition only 6.4% of the questioned people consider that in their institutions the management capacity is inexistent or underdeveloped.

Figure 3: The development degree of the management capacity in public institutions

4.3. The main dimensions which compose and characterize the management capacity, as well as the main factors which influence the level or the development degree of this capacity

The set of questions used for emphasizing the dimensions which may characterize the management capacity is made of 29 assertions, the civil servants had the possibility to express their opinion about the assertions regarding the management capacity in
the public institution where they work. The measurement scale used for this set of questions is 1-10 (where 1 = totally absent, and 10 = existent (in a high degree).

After computing the data, we can assert that the main aspects that characterize the management capacity within the public institutions from Romania from local and county level are those linked to: the communication capacity, the capacity and the way of making decisions, ensuring the team spirit, motivating the staff and not last ensuring equity among the employees (Table 2).

**Table 2:** The main 8 dimensions which can define and characterize the management capacity

<table>
<thead>
<tr>
<th>Rank</th>
<th>Dimension</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Communication capacity</td>
<td>8</td>
</tr>
<tr>
<td>2</td>
<td>Capacity to make right decisions at the right moment</td>
<td>7.91</td>
</tr>
<tr>
<td>3</td>
<td>Capacity to monitor activities</td>
<td>7.90</td>
</tr>
<tr>
<td>4</td>
<td>Capacity to coordinate</td>
<td>7.85</td>
</tr>
<tr>
<td>5</td>
<td>Team spirit</td>
<td>7</td>
</tr>
<tr>
<td>6</td>
<td>Self-confidence</td>
<td>7</td>
</tr>
<tr>
<td>7</td>
<td>Staff motivation</td>
<td>6.71</td>
</tr>
<tr>
<td>8</td>
<td>Ensuring equity according to effort and remuneration</td>
<td>6.4</td>
</tr>
</tbody>
</table>

Consequently, the data of the survey show that, generally speaking, when trying to characterize the management capacity of a public institution from local and county level from Romania the best way to do it is from the perspective of the capacity and the communication manner that exist in the institution, the decision-making way, as well as from the perspective of the coordination and the control of the activities, and less from the human resources perspective (staff motivation, creating the team spirit, ensuring equity among employees).

Also, when trying to refer to the management capacity within a public institution we should refer to a maximum of 8 dimensions (those mentioned above) and not to other dimensions which anyway do not exist or are poorly developed. We mean that when we speak about the management capacity we should refer to the communication capacity and less to how to measure performance – which does not really exist as a concern to local public institutions in Romania.

In connection with the main dimensions or factors that influence and explain the development degree of the management capacity within the public institutions we used a multivariable statistical processing of the regression equation type (Table 3).
Table 3: The main factors which influence the level of the management capacity within local public institutions (the analysis of the regression equation)

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.594</td>
<td>.082</td>
<td>19.34</td>
<td>.000</td>
</tr>
<tr>
<td>Coordination capacity</td>
<td>.049</td>
<td>.020</td>
<td>.131</td>
<td>2.39</td>
</tr>
<tr>
<td>Activity organization capacity</td>
<td>.063</td>
<td>.022</td>
<td>.170</td>
<td>2.84</td>
</tr>
<tr>
<td>Communication capacity</td>
<td>.060</td>
<td>.019</td>
<td>.182</td>
<td>3.19</td>
</tr>
<tr>
<td>Capacity to forecast the problems which the institution will be confronted with in the future</td>
<td>.062</td>
<td>.016</td>
<td>.178</td>
<td>3.76</td>
</tr>
<tr>
<td>Team spirit</td>
<td>.033</td>
<td>.017</td>
<td>.106</td>
<td>1.92</td>
</tr>
</tbody>
</table>

The results of analyzing the data emphasize that the development level of the management capacity from the public institutions is influenced or can be best explained from the perspective of the following activities which are specific to management: coordination, organization, communication, forecasting and ensuring the team spirit. We can notice anyway that the dimensions which have a significant impact on the development level of the management capacity are partly found as main dimensions which can characterize this type of capacity.

Consequently, according to the analysis of the regression equation of the data, we can assert that the relatively high development level of the management capacity in public institutions can be explained by the level of the coordination and organization of activities, the level and the system of communication existing in the institutions, the forecasting activities and the creation of the team spirit.

4.4. The utility of a post-graduate program for developing the management capacity of executive civil servants

The survey shows that the majority of the interviewed people agreed upon the usefulness of developing a post-graduate program for increasing the management capacity of civil servants occupying leading positions within public institutions from local and county level, or those who want to occupy this type of positions in the future.

Thus, 64.6% “agree” or “totally agree” with the fact that a post-graduate course about developing the management capacity is useful (Figure 4). Only an extremely small percentage of those who were interviewed consider that such a course has no utility or importance (6%).
Figure 4: The importance of a post-graduate program focused on the development of managerial capacity would be useful

The survey data show that the main study fields which should be approached in this post-graduate program should be from finance, management, accounting, public policy and ethics (Table 4).

Table 4: The main study fields for a post-graduate course focused on increasing the management capacity

<table>
<thead>
<tr>
<th>No.</th>
<th>Study field</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Local budgets</td>
<td>9.5196</td>
</tr>
<tr>
<td>2.</td>
<td>Leadership in public organizations</td>
<td>9.3264</td>
</tr>
<tr>
<td>3.</td>
<td>The analysis of public policies</td>
<td>9.0947</td>
</tr>
<tr>
<td>4.</td>
<td>Ethics in public administration</td>
<td>8.7906</td>
</tr>
<tr>
<td>5.</td>
<td>Financial management</td>
<td>8.7690</td>
</tr>
<tr>
<td>6.</td>
<td>Project management</td>
<td>8.7375</td>
</tr>
<tr>
<td>7.</td>
<td>Human resources management</td>
<td>8.7301</td>
</tr>
<tr>
<td>8.</td>
<td>Economics and public finance</td>
<td>8.6976</td>
</tr>
</tbody>
</table>

5. Conclusions

From several points of view, the increase or development of the management capacity in public institutions should be a vital preoccupation for the leading factors of these institutions. In this respect, we can assert that both for local and central public institutions the management capacity plays a critical and vital role in their
attempts to increase efficiency and effectiveness, to improve the quality of their services and products, to reduce expenses and to increase the citizens’ satisfaction regarding services delivered by public institutions. After analyzing the specialized literature, we can assert that the majority of specialists agree that a public institution with a high management capacity has both abilities of working better (efficiently and effectively) and better results and performance than a public institution with a lower management capacity.

Certain studies also emphasize the fact that the management capacity depends fundamentally on the configuration, tasks and activities of the organizational subsystems, mainly the managerial subsystem, on the type and the orientation of the management methods that are used, on the impact of the environment upon the organization.

From the conceptual point of view, we can assert that the management capacity is a complex, multidimensional and difficult to define concept. In this respect, the management capacity shows in the specialized literature as too little defined, and we often realize what it is and what it means involuntarily from the context where it is used. However, the exploratory research we made shows clearly that a great part of the civil servants questioned (those who are in leading positions or fulfill the conditions for occupying leading positions) define the management capacity concept in close connection with the management functions (the ability, capacity and aptitude to exercise the activities which are specific to executives: leading, planning, organizing, commanding, coordinating, controlling and evaluating) and too little in connection with the professional side or other organizational dimensions.

From the practical point of view, the results of our exploratory research at the level of local public institutions show the following aspects:

• Firstly, we can assert that the development level of the management capacity in local public institutions from the perspective of civil servants occupying leading positions or with such perspectives is very high.

• Secondly, we can say that at least for the local and county public institutions the management capacity must be emphasized and analyzed from the multidimensional perspective, the most important dimensions being linked to the communication capacity, decision-making and those concerning the management functions.

• Thirdly, the results of the regression analysis of the survey data show the fact that the relatively high development level of the management capacity within the local public institutions can be explained and based on the management functions, respectively the coordination and organization of the activities, the level and the system of communication in the institution, the forecasting activities and last, but not least the creation of the team spirit.

• Fourthly, based on the survey data, we can assert that a post-graduate course focused on developing the management capacity in public institutions would
be useful and important, the main study fields being those related to finance, management and accounting.

We consider it necessary to acknowledge the limitations of our research. The biggest limitation of this study comes from the civil servants who participated in the research. The results of the study show only the opinion of the civil servants occupying leading position or who fulfill the conditions for such a position, an opinion which can be considered biased (we cannot exclude totally the possibility that some civil servants in executive positions tried to present a misleading situation).

References: